Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

| In the Matter of |) |
|-------------------------------|---|
| |) |
| Administration of the |) |
| North American Numbering Plan |) |

COMMENTS OF METROPOLITAN FIBER SYSTEMS, INC.

Metropolitan Fiber Systems, Inc. ("MFS"), by its undersigned counsel, submits these comments, pursuant to the Public Notice, DA 91-1307, released October 18, 1991, in support of the Petition filed with the Commission by the National Association of Regulatory Utility Commissioners ("NARUC") requesting the issuance of a Notice of Inquiry regarding the administration of the North American Numbering Plan ("NANP").

MFS is a nationwide provider of competitive access services. MFS operates state-of-the-art digital fiber optic telecommunications networks in the Baltimore, Boston, Chicago, Dallas, Houston, Los Angeles, Minneapolis, New York, Philadelphia, Pittsburgh, San Francisco, and Washington, D.C. metropolitan areas. These networks currently provide point-to-point dedicated transmission services within each of these metropolitan areas, including dedicated circuits connecting end users to interexchange carrier ("IXC") points of presence, connections among and between IXC facilities, (where authorized) point-to-point private line services between end user premises. In addition, MFS currently provides dedicated access to local exchange carrier ("LEC")

central offices in New York and Boston for interconnection to LEC private line and switched services, and intends to offer such access in additional markets as suitable interconnection arrangements become available. (In particular, MFS' Chicago subsidiary recently applied to the Illinois Commerce Commission for authority to resell local switched services. MFS' New York subsidiary also has applied to state authorities for blanket certification, subject to review of individual tariff filings, to provide and to resell intrastate switched services.) Also, certain MFS subsidiaries have applied to the Commission for experimental licenses to develop radio-based Personal Communications Services ("PCS") in conjunction with their fiber networks.

Given this wide range of locally-oriented telecommunications services, MFS has a direct and substantial interest in technical standards for the interconnection of telecommunications networks. The numbering plans described in NARUC's Petition are prime examples of such technical standards—different telecommunications networks must use common signalling systems in order to interconnect and interoperate. For switched services in particular, telephone numbers and other numeric signals are essential for the correct routing and processing of voice and data traffic. The North American Numbering Plan is therefore an essential element in the development of an efficient public telecommunications system comprised of multiple interconnected, and in many cases competing, common carrier and private networks.

NARUC has identified eight current numbering systems are identified on page 3 of its Petition, and an additional four systems that are in varying stages of development are listed on page 4. These systems include both numbers dialed by customers (including

the area codes and central office prefixes in "plain old" telephone numbers, as well as specialized telephone numbers for 800 and 900 services, numbers for telephone calling cards, and the access numbers used by customers to select a long-distance carrier), and numbering codes used within the internal signalling systems of telecommunications networks in a manner that may be transparent to the user but will affect the delivery of services to the user (for example, the "information digits" sent by local exchange carriers to interexchange carriers as part of equal access signalling).

The efficient and non-discriminatory administration of these numbering plans has been a matter of increasing concern from the time of the divestiture of AT&T in 1984, since the assignment of identification numbers to a common carrier has a direct effect on the ability of that carrier to offer a full range of telecommunications services to its customers. The Commission has had to address numbering plan issues several times, particularly in the context of cellular services, in order to address these concerns. In addition, these systems must be designed carefully to meet industry needs over a long period of time, because changes to in numbering systems can entail substantial cost and, in the case of numbers dialed by customers, confusion and inconvenience.

¹ See Need to Promote Competition and Efficient Use of Spectrum for Radio Common Carrier Services, Policy Statement, 59 R.R.2d 1275 (1986), Declaratory Ruling, 2 FCC Rcd. 2910 (1987), on recon., 4 FCC Rcd. 2369 (1989) ("Cellular Interconnection Proceeding"). See also Provision of Access for 800 Service, CC Docket No. 86-10, 4 FCC Rcd. 2824 (1989), on recon., 6 FCC Rcd. (FCC 91-249, released Sept. 4, 1991).

The Commission previously has asserted "plenary" jurisdiction over numbering plan issues.² Its authority is based upon the facts that numbering codes are integrally intertwined with the provision of common carrier interconnection arrangements, and that these codes are generally used inseparably for both interstate and intrastate calls. In the case of central office (NXX) codes, the Commission noted that "[i]t may be not only infeasible but impossible as a matter of engineering to separate one set of NXX codes for interstate calls and one set for interstate calls." The Commission further observed that

[t]he very purpose of the North American Numbering Plan (NANP), which has established the codes as a national resource of the United States and Canada, is to ensure the equitable distribution of the codes nationwide without duplicating codes and numbers. Furthermore, any state regulation of this national resource could substantially affect interstate communications by disrupting the uniformity of the NANP.³

The same is true of most, if not all, of the other numbering systems described by NARUC in its Petition.

The Commission has only rarely exercised its jurisdiction over numbering issues, however. For the most part, the Commission has deferred to the states, to industry committees, or the NANP administration itself to resolve numbering issues, and has intervened only when issues of discrimination or denial of access were raised. The NANP was administered by AT&T until 1983, and since divestiture has been adminis-

² See Cellular Interconnection Proceeding, 2 FCC Rcd. at 2911-12, 4 FCC Rcd. at 2369-70.

³ Id., 2 FCC Rcd. at 2912. It should be noted that the NANP applies to over a dozen independent states and territories in the Atlantic/Caribbean region, as well as to Canada and the United States.

tered by Bell Communications Research ("Bellcore"), which is owned by the seven regional Bell holding companies.

MFS agrees with NARUC that the time is ripe for the Commission to institute a more comprehensive inquiry into numbering issues, and to assert more actively its jurisdiction over telephone numbering. The local exchange companies ("LECs"), who have traditionally controlled number assignments and standards, are facing increasing levels of competition both in interstate access and, in many states, in intrastate access and exchange services. Although competition in purely local service markets, and especially in switched services, is extremely limited at present (except in the case of cellular service), it is foreseeable that the LECs will face new entrants in many of their "core" service markets within the not-too-distant future. 4 As this competition develops, the LECs will increasingly be tempted to use their control over the numbering system to put their competitors at a disadvantage; indeed, this is precisely what created the need for Commission intervention in the case of cellular interconnection. Any new entrant seeking to offer local switched services will need to assign its customers telephone numbers that are compatible with the NANP, and to interact with the signalling systems of other common carriers on the basis of consistent numbering systems. Moreover, the development of new competitive services will likely put additional strain on existing

⁴ As noted above, MFS already has applied for state authority to offer switched local services in New York and in Illinois. The chairman of the Illinois Commerce Commission has recently proposed instituting a "telecommunications free trade zone" concept that would promote full-scale local exchange service competition in selected areas. *See* "Telecommunications Free Trade Zones: Crafting a Model for Local Exchange Competition," speech by Terrence L. Barnich at the Telestrategies Conference, Arlington, VA, November 19, 1991.

numbering systems and highlights the need for advance planning and flexibility to accommodate new uses of the network.

NARUC has listed ten issues for investigation at pages 5 though 7 of its Petition. Without slighting the importance of any of these issues, MFS would particularly urge the Commission to investigate issues 4 and 5: the "potential strategies for the deployment of telephone number and other NANP codes required to implement new services" including Personal Communications Services and competitive local switching; and the "possible competitive advantage to the Regional Bell Operating Companies of having Bellcore as the NANP administrator," including the potential opportunities and incentives for anticompetitive behavior by Bellcore. In the context of this investigation, MFS suggests that the Commission solicit comments on the following specific matters:

1. The feasibility and cost of implementing local number portability. As the Commission has recognized in the 800 database proceeding (note 1, supra), a numbering system that prevents customers from changing carriers without changing their telephone number can serve as a substantial barrier to competition. Customers are reluctant to change their telephone numbers for very good reasons. For residential customers, a new telephone number at a minimum means the inconvenience of notifying friends, family members, and the expense of contacting banks, insurers, utilities, credit card issuers, neighborhood associations, and others to advise them of the new number; then there are the intangible costs of possibly missing calls due to callers being unaware of or forgetting the new number. For businesses, particularly those who depend upon the telephone for sales or customer service, these problems are multiplied many-fold, along with the costs

of reprinting stationery, redesigning advertisements, and engaging in additional marketing campaigns merely to advise customers or prospects of the new telephone number.

This is precisely the situation that now exists with local telephone numbers. Each six digit NPA-NXX code prefix (the first six digits of a ten-digit telephone number) is uniquely assigned to one and only one carrier; at present, all of these codes except for 800 and 900 services are assigned either to local exchange carriers or to radio common carriers ("RCCs") providing exchange communications services. Today, a customer who wants to change from one cellular carrier to its competitor in the same geographic area must be assigned a new cellular telephone number. In the future, if and when competition develops in basic local exchange service, the same will be true for a customer desiring to switch to a new competitive local switching provider. Also, the emerging development of Personal Communications Services ("PCS") is likely to create increased demand for portable telephone numbers.

The Commission should investigate whether, how soon, and at what cost number portability can be implemented for local telephone numbers. It should be feasible to make local numbers portable using the same technology now being introduced for 800 service access. However, the Commission would need to determine the cost of local number portability, the time required to implement it, the impact on call set-up times, who would administer the local data base system, how the system would interface with

⁵ In a recent report, Telocator's PCS section defined "Personal Numbering" as one of the two fundamental characteristics of PCS. See PCS Service Descriptions 2 (Nov. 15, 1991), filed in GEN Docket No. 90-314 as Attachment II to Report of Thomas A. Stroup, President, Telocator On Behalf of the PCS Section (Dec. 5, 1991). As an applicant for PCS experimental licenses, MFS is interested in the development of personal numbering systems.

those exchanges using older generations of switch technology, and other technical and economic issues. MFS strongly encourages the Commission to obtain information on these subjects through a Notice of Inquiry.

2. The desirability of transferring Bellcore's numbering plan responsibilities to a neutral NANP administrator. As noted above, although the local exchange companies may have been appropriate administrators of the numbering plan in the days of monopoly, they are increasingly subject to conflicts of interest in this role as competition in their service markets develops. The Commission must assure that the public interest in an economical, reliable, and Nation-wide telecommunications system is not compromised by LECs' interests in creating barriers to competitive entry. It would be prudent for the Commission to consider transfer of NANP administration to a neutral party (perhaps under the supervision of a broad-based industry advisory committee) at this time. As the Commission is aware, the LECs' self-interest has already caused problems with respect to cellular number assignments, and these types of problems are likely to multiply exponentially unless steps are taken now to prevent them. Among other issues, the Commission should solicit comments on how a neutral administrator would be selected and compensated, and how the Commission should exercise oversight of NANP issues on a continuing basis.

CONCLUSION

For the foregoing reasons, the Commission should issue a Notice of Inquiry to investigate the numbering plan issues identified by NARUC. In this inquiry, the Commission should specifically solicit information with respect to (1) the feasibility and

desirability of local number portability, and (2) the desirability of designating a neutral Numbering Plan administrator to assume Bellcore's responsibilities.

Respectfully submitted,

Cindy Z. Schonhaut
Director, Regulatory and
Legislative Affairs
METROPOLITAN FIBER SYSTEMS, INC.
3000 K Street, N.W., Suite 300
Washington, D.C. 20007
(202) 944-4209

Andrew D. Lipman
Russell M. Blau
SWIDLER & BERLIN, Chartered
3000 K Street, N.W.
Washington, D.C. 20007
(202) 944-4300

Attorneys for Metropolitan Fiber

Systems, Inc.

Dated: December 20, 1991

CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of December 1991, copies of Metropolitan Fiber Systems, Inc.'s Comments were sent by first class mail, postage prepaid to the following:

Mary Green
Industry Analysis Division
Common Carrier Bureau
Federal Communications Commission
1919 M Street, N.W.
Room 538
Washington, D.C. 20554

Downtown Copy Center 1114 21st Street, N.W. Washington, D.C. 20037

James Bradford Ramsay
Deputy Assistant General Counsel
National Association of Regulatory
Utility Commissioners
1102 ICC Building
Post Office Box 684
Washington, D.C. 20044

Celia Petrowsky